

## CONTENTS AND FORMAT OF ACCOUNTABILITY REPORTS

The Accountability Report should be based on Malcolm Baldrige performance excellence criteria and contain the following:

- Transmittal Form (use transmittal form enclosed)
- Section I - Executive Summary (2-3 pages) to consist of the following elements:
  1. Mission and values,
  2. Major achievements from past year,
  3. Key strategic goals for the present and future years,
  4. Opportunities and barriers that may affect the agency's success in fulfilling its mission and achieving its strategic goals (this establishes the basis for the agency's budget request),
  5. How the accountability report is used to improve organizational performance.
- Section II – Organizational Profile (1-4 pages – page limit does not include *Expenditure/Appropriations Chart and Major Program Areas Chart*); a fact-based description of the organization. List the following elements in bullet style:
  1. Your organization's main products and services and the primary methods by which these are delivered;
  2. Your key customers segments and their key requirements/expectations;
  3. Your key stakeholders (other than customers);
  4. Your key suppliers and partners;
  5. Your operation locations;
  6. The number of employees you have, segmented by employee category (i.e. classified, unclassified, contract, etc.)
  7. The regulatory environment under which your organization operates;
  8. Your key strategic challenges (could include operational, human resource, financial, and community-related strategic challenges)
  9. Your performance improvement system(s);
  10. Your organizational structure;
  11. Your **Expenditures/Appropriations Chart** (use chart form available at [www.budget.sc.gov](http://www.budget.sc.gov)); and,
  12. Your **Major Program Areas Chart** (use chart form available at [www.budget.sc.gov](http://www.budget.sc.gov)).

Note: When completing the **Major Program Areas Chart**, please list the programs that comprise at least 80% of the total budget. The remainder of programs should be "listed ONLY"

in the box below the chart, and those program expenditures should be detailed in the chart's section entitled "Remainder of Expenditures." The **Key Cross References** for financial results column should link major programs to charts/graphs in Category 7 Results (ex. Chart 7.3-1 or Graph 7.3-2).

- Section III – Elements of Malcolm Baldrige Award Criteria as follows (follow question format following this list):

*Provide up to 3 pages discussing the following category:*

Category 1 – Leadership

*Provide up to 15 pages total discussing the following five categories:  
(Page limit does not include Strategic Planning Chart)*

Category 2 – Strategic Planning. (Include **Strategic Planning Chart** – use chart form available at [www.budget.sc.gov](http://www.budget.sc.gov))

Note: The **Key Agency Action Plan/Initiative(s)** column in the **Strategic Planning Chart** should include your initiatives and plans to accomplish the goals/objectives listed in the second column. The **Key Cross References** column should link that program to charts/graphs in Category 7 – Results (ex. Chart 7.4-1 or Graph 7.2-2).

Category 3 – Customer Focus

Category 4 – Measurement, Analysis, and Knowledge Management

Category 5 – Human Resource Focus

Category 6 – Process Management

*Provide up to 25 pages discussing the final category:*

Category 7 – Business Results (Key Result Areas may include: Product and Service Results; Customer Service Results; Financial Results; Organizational Effectiveness Results; Human Resource Results; Regulatory, Legal Compliance, and Community Support Results.)

Note: Results Information (i.e. each chart, graph, table) reported for Category 7 should be referenced to the specific question number (Ex. Chart 7.1-1, Graph 7.1-2, Table 7.1-3) The third digit identifies the sequential position of the specific chart, graph or table included in your response to each question.

The total length of the report is a maximum of 50 pages (page limit does not include the following charts: Expenditure/Appropriations Chart, Major Program Areas Chart and Strategic Planning Chart.)

## **Elements of Malcolm Baldrige Award Criteria**

Please specifically address the questions as stated, even if you have to report that you have made no progress in a certain area. If the agency is still in the beginning stages of developing processes in any particular category, please note what the agency's plans are to make progress.

### **Category 1 – Leadership**

The Leadership Category describes how your organization's senior leaders guide and sustain your organization. It also describes how senior leaders set direction, performance expectations and address values, as well as how they focus on measures and responsibilities to their community.

1. How do senior leaders set, deploy, and ensure two-way communication for: a) short and long term direction and organizational priorities, b) performance expectations, c) organizational values, d) empowerment and innovation, e) organizational and employee learning, and f) ethical behavior?
2. How do senior leaders establish and promote a focus on customers and other stakeholders?
3. How does the organization address the current and potential impact on the public of its products, programs, services, facilities and operations, including associated risks?  
(*moved from 6*)
4. How do senior leaders maintain fiscal, legal, and regulatory accountability?
5. What key performance measures are regularly reviewed by your senior leaders?  
(Actual results are to be reported in Category 7).
6. How do senior leaders use organizational performance review findings and employee feedback to improve their own leadership effectiveness and the effectiveness of management throughout the organization? How do their personal actions reflect a commitment to the organizational values?
7. How do senior leaders promote and personally participate in succession planning and the development of future organizational leaders?
8. How do senior leaders create and environment for performance improvement, accomplishment of strategic objectives, and innovation?
9. How does senior leadership actively support and strengthen the communities in which your organization operates? Include how senior leaders and employees contribute to improving these communities.

### **Category 2 – Strategic Planning**

The Strategic Planning Category describes your organization's strategy development process, how strategy and plans are deployed, and how performance is tracked.

1. What is your Strategic Planning process, including KEY participants, and how does it address:
  - a. Your organization's strengths, weaknesses, opportunities and threats
  - b. Financial, regulatory, societal and other potential risks
  - c. Shifts in technology or the regulatory environment
  - d. Human resource capabilities and needs
  - e. The opportunities and barriers you described in the Executive Summary, (question 4)
  - f. Business continuity in emergencies
  - g. Your ability to execute the strategic plan

Note: Strategic Planning process refers to your organization's approach (formal or informal) to a future-oriented basis for business decision, resource allocations and management to include how relevant data and information are gathered and analyzed. This process may use various types of forecasts, projections, options, scenarios or other approaches to address the future.

2. What are your key strategic objectives? (Address in Strategic Planning Chart)
3. What are your key action plans/initiatives? (Address in Strategic Planning Chart)
4. How do you develop and track action plans that address your key strategic objectives? Note: Include how you allocate resources to ensure accomplishment of your action plans.
5. How do you communicate and deploy your strategic objectives, action plans and related performance measures?
6. How do you measure progress on your action plans?
7. How do your strategic objectives address the strategic challenges you identified in your Organizational Profile?
8. If the agency's strategic plan is available to the public through the agency's internet homepage, please provide an address for that plan on the website.

### **Category 3 – Customer Focus**

The Customer Focus Category describes how your organization identifies its customers, their requirements and the continued relevance of these requirements. It also examines how your organization builds relationships with customers and determines their satisfaction.

Note: This category addresses external customers only – those outside of the organization. Differing requirements may exist for your various customer groups.

1. How do you determine who your customers are and what their key requirements are?
2. How do you keep your listening and learning methods current with changing customer/business needs and expectations?

3. How do you use information from customers/stakeholders to keep services or programs relevant and provide for continuous improvement?
4. How do you measure customer/stakeholder satisfaction and dissatisfaction, and use this information to improve?
5. How do you build positive relationships with customers and stakeholders? Indicate any key distinctions between different customer groups.

#### **Category 4 – Measurement, Analysis, and Knowledge Management**

The Measurement, Analysis, and Knowledge Management category describes your organization's performance measurement system and how your organization selects, aggregates, and analyzes performance data and information. It also describes how the organization manages, transfers, and maintains the accumulated knowledge possessed by its employees in the form of information, ideas, learning, and understanding, memory, insights, work skills, and capabilities.

Note: The terms "information" and "analysis" refer to the key measurements used by your organization to analyze performance. Because of the key nature of the data and information, they should be linked to the organization's operations, systems and processes described in your Organizational Profile and Category 6 – Process Management.

Note: The term "knowledge assets" refers to the accumulated intellectual resources of your organization. It is the knowledge possessed by your organization and its employees in the form of information, ideas, learning, understanding, memory, insights, cognitive and technical skills, and capabilities.

1. How do you decide which operations, processes and systems to measure for tracking financial and operational performance, including progress relative to strategic objectives and action plans?
2. How do you use data/information analysis to provide effective support for decision making throughout your organization?

Note: Analysis includes trends, projections, comparisons, and cause-effect correlation intended to support performance reviews and the setting of priorities for resource use. Analysis draws upon many types of data including customer related, financial, mission requirements, operational, competitive, and others. (Results are reported in Category 7).

3. What are your key measures, how do you review them, and how do you keep them current with business needs and direction?
4. How do you select and use key comparative data and information to support operational and strategic decision making and innovation?
5. How do you ensure data integrity, timeliness, accuracy, security and availability for decision making?

6. How do you translate organizational performance review findings into priorities for continuous improvement?
7. How do you collect, transfer, and maintain organizational and employee knowledge (your knowledge assets)? How do you identify and share best practices?

### **Category 5 – Human Resources**

This Category describes how your organization's work systems and your employee learning and motivation enable employees to develop and utilize their full potential in alignment with your organization's overall objectives, strategies, and action plans. It also describes your organization's efforts to build and maintain a work environment and employee support climate conducive to performance excellence and to personal and organizational growth.

Note: The term employees refers to your organization's permanent, temporary, and part-time personnel, as well as any contract employees supervised by your organization. Employees include managers and supervisors at all levels. Contract employees supervised by a contractor performing support processes should be addressed in Category 6 – Process Management.

1. How do you organize and manage work: to enable employees to develop and utilize their full potential, aligned with the organization's objectives, strategies, and action plans; and to promote cooperation, initiative, empowerment, innovation and your desired organizational culture?
2. How do you evaluate and improve your organization's human resource related processes?
3. How do you identify and address key developmental and training needs, including job skills training, performance excellence training, diversity training, management/leadership development, new employee orientation and safety training? How do you evaluate the effectiveness of this education and training? How do you encourage on the job use of the new knowledge and skills?
4. How does your employee performance management system, including feedback to and from employees, support high performance and contribute to the achievement of your action plans?
5. How do you motivate your employees to develop and utilize their full potential?
6. What formal and/or informal assessment methods and measures do you use to determine employee well being, satisfaction, and motivation? How do you use other measures such as employee retention and grievances? How do you determine priorities for improvement?
7. How do you maintain a safe, secure, and healthy work environment? (Include your workplace preparedness for emergencies and disasters.)

## **Category 6 – Process Management**

This Category describes key aspects of your organization's process management, including key product, service, organizational, and support processes (as it encompasses the design process and all work units).

Note: Product and service design, production, and delivery differ greatly among organizations, depending on many factors. These factors include the nature of your products and services, technology requirements, customer and supplier relationships and involvement, and product and service customization. Please address only the most critical requirements for your organization.

1. What are your key processes that produce, create or add value for your customers and your organization? How do you ensure that these processes are used?
2. How do you incorporate organizational knowledge, new technology, changing customer and mission-related requirements, cost controls, and other efficiency and effectiveness factors such as cycle time into process design and delivery?
3. How does your day-to-day operation of these processes ensure meeting key performance requirements?
4. How do you systematically evaluate and improve your key product and service related processes?
5. What are your key support processes, and how do you improve and update these processes to achieve better performance?

Note: Support processes are those that support your organization's products/services design, productivity and delivery processes and operations. For many organizations, this might include information and knowledge management, finance and accounting, facilities management, research and development, administration, inter-governmental relations, legislative and public affairs and sales/marketing. Please address those key support processes unique to your organization and how you operate.

## **Category 7 – Results**

This Category describes your organization's performance and improvements in: mission accomplishment and organizational effectiveness, customer satisfaction financial performance, human resource results, regulatory/legal compliance and community support. Information is typically displayed by the use of performance measures.

Quantitative measures may be supplemented by a discussion of qualitative measures where appropriate; however, every effort should be made to use appropriate quantitative measures that can be charted to show trends over time and comparisons to benchmarks.

- 7.1 What are your performance levels and trends for the key measures of mission accomplishment and organizational effectiveness?

- 7.2 What are your performance levels and trends for the key measures of customer satisfaction? (a customer is defined as an actual or potential user of your organization's products or services.)
- 7.3 What are your performance levels for the key measures of financial performance?
- 7.4 What are your performance levels and trends for the key measures of Human Resource Results (i.e. work system performance, employee learning and development, employee well-being, employee satisfaction, diversity, and retention)?
- 7.5 What are your performance levels and trends for the key measures of regulatory/legal compliance and community support? Note: For a governmental agency, this question would apply to compliance with laws and regulations *other than* the agency's central legal mandate. Results of the agency's legal mandate or mission should be addressed in question 7.1.

Note: Please address only top-level results showing aggregate measures of agency-wide organizational performance that are reflective of the value added to customers. Please include comparative data as applicable. These results are typically captured in performance goals and planning documents.

Note: Results information (i.e. each chart, graph, table) reported for Category 7 should be referenced to the specific question number (Ex. *Chart 7.1-1, Graph 7.1-2, Table 7.1-3*). The third digit identifies the sequential position of the specific chart, graph or table included in your response to each question.

### SUBMISSION GUIDELINES

The FY 2005-2006 Accountability Report should be prepared in Microsoft Word whenever possible. If you do not have Microsoft Word, the word processing format you normally use will be satisfactory. If your agency does not use computers, you may submit a typed report, which will be scanned.

In an effort to standardize length, the length is a maximum of 50 pages. The suggested font is Times New Roman, 12 point.

Four (4) printed copies and either an e-mailed version of the report, a CD, or a 3.5" diskette containing the Accountability Report should be submitted to the Office of State Budget at the following address by Friday, September 15, 2006.

Office of State Budget  
**Attention: Karen Rhinehart**  
1201 Main Street, Suite 870  
Columbia, SC 29201



NOTE: The data may be e-mailed to **Krhinehart@budget.sc.gov** and copies sent to the above address.

If you have questions regarding the submission of your Accountability Report, please contact your State Budget Analyst.

**THE DEADLINE FOR SUBMISSION OF ACCOUNTABILITY REPORTS  
(ELECTRONIC PLUS FOUR PRINTED COPIES) IS FRIDAY,  
SEPTEMBER 15, 2006.**

Accountability Report Transmittal Form

Agency Name \_\_\_\_\_

Date of Submission \_\_\_\_\_

Agency Director \_\_\_\_\_

Agency Contact Person \_\_\_\_\_

Agency Contact's Telephone Number \_\_\_\_\_